CITY OF ALAMEDA

Memorandum

To: Honorable President and

Members of the Planning Board

From: Eric Fonstein

Development Manager

Date: Monday, October 24, 2011

Re: Recommend Adoption of An Ordinance Amending Alameda Municipal

Code Sections 6-27.4, 6-52.1 and 22-8.1 to allow Sale of Goods from a Rolling Store with Approval of a Special Event Permit, Conditional Use Permit, or Encroachment Permit; and Adoption of Food Truck Program Guidelines, including Standard Conditions of Approval for a Conditional

Use Permit or Encroachment Permit for Rolling Stores

BACKGROUND

Cities like Portland, Oregon, Austin, Texas, and San Francisco, California have successfully used attractive and eclectic food trucks and carts to provide interim uses for vacant parcels and to attract people to under-used or under-serviced commercial neighborhoods. Portland found that food trucks can complement existing businesses by attracting pedestrian traffic with a non-traditional, communal eating experience, where customers may intermingle and interact directly with chefs. A City of Alameda Food Truck Program (Program) also has the potential of revitalizing vacant properties and blighted areas by attracting patrons drawn to new and innovative culinary entrepreneurs in stylized food trucks.

Additionally, a new generation of entrepreneurs is using food trucks and new social and mobile media marketing tools as an inexpensive way to start a restaurant business. These stylized, roving kitchens allow up-and-coming chefs to enter the marketplace with multiple points of access and a broad range of innovative menus. The result is a thriving food truck business sector, which is part of a larger, long-term trend in high quality, convenient dining. Other examples include Whole Foods Markets offering hot, ready-made meals and restaurants like P.F. Chang's providing curbside take-out service. A City Program could encourage local residents to start new businesses or create an incentive for existing businesses to expand.

The cities of Berkeley and Oakland have created special weekly, off-street events in revitalizing areas with a regular group of street food vendors congregating at one location. (Berkeley's "Off the Grid" is Wednesdays 5:00 pm to 9:00 pm at Shattuck Ave at Rose Street and Oakland's "Bits off Broadway," is Fridays 5:30 to 8:30 p.m. at 365 45th Street.) The Alameda Municipal Code (AMC) prohibits "rolling stores" such as food trucks, except for those selling fruits, vegetables, ice cream, candy, and popcorn.

DISCUSSION

City staff is proposing changes to the AMC and creating Program Guidelines in order to help the City revitalize vacant and blighted private and public properties, encourage creation and expansion of new businesses, and address the lack of food establishments in certain commercial areas of the City, such as Alameda Point and Harbor Bay Business Park. Providing on-the-spot amenities may also compliment and stimulate other economic development initiatives. For example, the City suggested creating a "food trailer court" on vacant and paved areas at Alameda Point in its proposal to attract the Lawrence Berkeley National Laboratory Second Campus (LBNL Second Campus). The food trailer court would increase the amount of eating options within a short walking distance of the LBNL Second Campus for employees at lunchtime and contribute to the general appeal of the site.

The following are staff recommendations for the Planning Board to consider in encouraging a City Food Truck Program:

- 1. Update the AMC regulations regarding the prohibition of food truck vendors;
- Create Program Guidelines to encourage and support a vibrant business climate in appropriate areas and to regulate food trucks by creating standard conditions of approval to protect the community from noise, litter, and to ensure minimum aesthetic standards; and
- 3. Develop an outreach and implementation strategy for the program.

The following provides a more detailed discussion of staff's recommendations.

1. Update AMC to Allow Food Trucks

Staff proposes revising the following Sections of the AMC to encourage food trucks in appropriate locations and to be consistent with the City's existing practice:

- **6-27 Storage, Sale, and Preparation of Food and Beverages**—regulates the sale of any meat, meat food products, seafood, or dressed poultry exclusively to a fixed place of business. Staff recommends changing the Section to allow the sale from rolling stores (e.g. food trucks) with approval of a Special Event Permit, Conditional Use Permit, or Encroachment Permit.
- **6-52 Use of Streets and Sidewalks**—bans the use of public streets and sidewalks for the sale of anything other than fresh fruits and vegetables. Staff recommends changing this Section to allow the City to grant a Special Special Event Permit, Conditional Use Permit or Encroachment Permit for the temporary sale from a rolling store (e.g. food trucks).
- **22-8 Rolling Store**—prohibits the use of public streets for the sale of goods, wares, food stuff, or any other type of merchandise from a "rolling store or store on wheel", although it allows traditional ice cream trucks. Staff recommends allowing the use of public streets for the sale of goods from a

rolling store (e.g. food trucks) with the approval of a Special Event Permit, Conditional Use Permit, or an Encroachment Permit.

These proposed changes to the AMC are intended to permit and encourage food trucks at a specific location for designated hours of operation (Attachment 1).

2. Create Food Truck Program Guidelines

While the AMC changes discussed above allow food trucks at designated locations pursuant to a permitting process, the Program Guidelines summarized below describe in greater detail how that process works. A food truck operator or organizer will need to obtain one of three permits to operate a food truck in the City, depending on the location and duration of the proposed use. The following describes this three-prong permitting process:

- A Special Event Permit (SEP) is for one-time events or up to three individual events (such as street festivals occurring on consecutive days) on private property or in the public Right-of-Way;
- A Conditional Use Permit (CUP) is for permanent or recurring food truck uses on private property; or
- An Encroachment Permit (EP) is for permanent or recurring food truck uses in the public Right-of-Way.

While the proposed changes to the AMC would allow food trucks to operate at Special Events, staff is not recommending any modifications to the Special Event Permit interdepartmental review and approval process.

The proposed Program Guidelines, if adopted, will apply to the CUP and EP process for permanent or recurring food truck uses (Attachment 2). The Program Guidelines also include standard conditions of approval for a CUP and EP related to food truck uses. The food truck CUP and EP permit applications will require detailed information, such as the location at which the vendor(s) intend to operate; hours of operation; and description of the vehicle(s) with photos, if available, among other standard required information. The CUP and the EP would be valid for one (1) year with annual renewals subject to administrative review, modification (if necessary), and approval. Applicants will also be required to obtain a City Business License, based on the same classification as restaurants, and must provide proof of insurance, a valid County health permit, and other relevant permits and licenses.

Staff will monitor the Program Guidelines and recommend future adjustments, as necessary, to the Planning Board for approval. Proposed changes to the Program Guidelines may be appealed to the City Council. Changes to the encroachment regulations may be required at a future date before encroachment permits are issued for food trucks.

At the request of the West Alameda Business Association (WABA) and Park Street Business Association (PSBA), staff recommends prohibiting permanent or recurring food truck uses in these business districts.

3. Develop an Outreach and Implementation Strategy

The City has presented the Program Guidelines to the South Shore Shopping Center, the PSBA Board of Directors, WABA Executive Board, and the Economic Development Commission. Their comments are consolidated into the Program Guidelines.

If the Planning Board adopts staff recommendations this evening, staff will recommend adoption to the City Council at its November 15 Council meeting. If the City Council approves the AMC changes and Program Guidelines, City staff will then approach local property owners and venues about hosting pilot food truck events at locations, such as Alameda Point and Harbor Bay Business Park.

The City may also consider working with a consulting company like Off the Grid, a San Francisco-based company that specializes in organizing regular and special food truck events. Off the Grid sponsors weekly food truck "markets" at UN Plaza, Upper Haight, and Fort Mason in San Francisco, Golden Gate Fields in Berkeley, and other locations. In addition to helping organize food truck market events, Off the Grid offers a licensed food truck that may be rented by local restaurant chefs to prepare their own street food. The rental is available for Off the Grid events and private catering for \$325 for four-hour shifts. This covers gas for the truck and generator, propane, cooking oil for the fryer, and permits. The local restaurant would be responsible for their own food, consumables (plates, napkins, utensils, etc.) and removal of garbage.

Lastly, the City may consider working with the Alameda Small Business Development Center (SBDC) to offer training workshops for starting and operating a food truck. In preliminary discussions with the SBDC, the workshops would be customized for Alameda restaurants that may be interested in expanding their businesses using food trucks as a mobile annex.

ENVIRONMENTAL REVIEW

The proposed action is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guideline Section 15305 "Minor Alterations in Land Use Limitations."

RECOMMENDATION

 Recommend adoption of an Ordinance Amending Alameda Municipal Code Sections 6-27.4, 6-52.1 and 22-8.1 to allow Sale of Goods from a Rolling Store with Approval of a Special Event Permit, Conditional Use Permit, or Encroachment Permit; and 2. Adopt Food Truck Program Guidelines, including Standard Conditions of Approval for a Conditional Use Permit and Encroachment Permit for Rolling Stores.

Respectfully submitted,

Eric Fonstein Development Manager

Attachments:

- 1. Ordinance Amending AMC Sections 6-27.4, 6-52.1 and 22-8.1
- 2. City of Alameda Food Truck Program Guidelines